



CITY OF LONG BEACH

DEPARTMENT OF PLANNING AND BUILDING

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November 30, 2005

Judy Nevis
Acting Director Chief Deputy Director
California Department of Housing and Community Development
1800 3rd Street
Sacramento, CA 94252

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DIV. OF HOUSING
POLICY DEVELOPMENT HCD

Dear Ms. Nevis:

California law mandates that cities and counties submit to their legislative bodies, the State Office of Planning and Research, and the California Department of Housing and Community Development an annual report on the status of their Housing Element and the progress toward its implementation. The intent of this statute is to ensure that the Housing Element remains an effective guide for housing development.

During the 2004-2005 Fiscal Year, the City of Long Beach has achieved many general plan-related goals including the preservation of historic architecture, the neighborhood rehabilitation and land use changes to encourage housing in the downtown.

Please find the attached 2004-2005 Housing Element Annual Report for your review and informational purposes.

If this letter gives rise to any questions, please do not hesitate to contact me at (562) 570-6357.

Sincerely,

Angela Reynolds, Advance Planning Officer
Department of Planning and Building

CC: Leah Northrop, HCD

AR:IB

HOUSING ELEMENT ANNUAL PROGRESS REPORT

Fiscal Year 2005

INTRODUCTION

The Planning Commission is authorized by State law and the City Charter with the responsibility of preparing and overseeing the City's General Plan. California law requires each city and county to adopt a general plan for comprehensive, rational decision-making regarding a jurisdiction's long-term physical development. The General Plan covers the full range of activities that city government is charged with, from physical planning and natural resource protection to public health and safety.

The City of Long Beach adopted the 2000-2005 Housing Element on April 17, 2001 and the California Department of Housing and Community Development found it to be in compliance with Housing Element Law in June 2001. The Housing Element is unique among General Plan Elements in that the State is much more prescriptive regarding its form and content. Housing is a major land use in the city and the location and condition of individual houses can have a major impact on our neighborhoods and our local economy. Consequently, the Housing Element involves more than just the building of houses but also the building of stronger communities.

California law mandates that all cities and counties submit to their legislative bodies and the Department of Housing and Community Development an annual report on the status of their Housing Element and the progress toward its implementation. The intent of this statute is to ensure that the Housing Element remains an effective guide for allocating limited housing resources. State law further directs the reporting of a city's achievements in meeting the housing policy goals and Regional Housing Need Assessment (RHNA) contained in its Housing Element.

The principal purpose of this report is to satisfy this requirement and to bring to the attention of the people of our city the more important Housing Plan implementation achievements of Fiscal Year 2004-2005. As required by State law, this report provides a status report on the housing plan and progress towards meeting our Regional Housing Need.

This report is organized into three sections:

- Progress in meeting Regional Housing Need,
- The effectiveness of the Housing Element in the attainment of the community's housing goals and objectives, and
- Progress toward mitigating government constraints identified in the Housing Element.

PROGRESS IN MEETING REGIONAL HOUSING NEED

The City of Long Beach is assigned by the State of California a number of affordable housing units that the city is expected to absorb during the Housing Element's planning period. This number is referred to as the Regional Housing Need Assessment (RHNA).

The City has made progress towards meeting its Regional Housing Need Assessment.

- For this reporting period, 422 new residential units were permitted for construction.
- Of these dwelling units, 364 were multifamily dwelling units and 58 were single-family dwelling units.
- The City is reporting 148 income-restricted housing units. The three housing developments with income-restricted units are:

Development	Moderate-Income Units	Low-Income Units	Very Low-Income Units
Pacific City Lights	0	10	31
Jamboree Housing	0	0	63
Livable Places	27	15	2

- During the planning period for this Housing Element (2000-2005), approximately 4,000 new housing units have been permitted for construction.
- Overall, the City has produced more units than its RHNA goal for the 2000 to 2005 planning period. Although in some specific income levels, the production has been lower than the goal. It should also be noted that the numbers shown below represent only new construction units and do not include rehabilitated units.

Income Level	Total Allocation	FY00-04 Production	FY05 Production	Cumulative	Attainment Percentage
Very Low ¹	411	23	96	119	29%
Low ¹	251	18	25	43	17%
Moderate ¹	296	33	27	60	20%
Upper ²	506	3427	274	3701	730%

¹ Restricted Housing Production From the Long Beach Housing Services Bureau

² Upper income level represents market rate housing production Building Permits

- Approximately 4,000 new housing units have been permitted for construction during the planning period for this Housing Element. This substantial amount of new housing construction should help improve total housing choice and contribute to Long Beach's obligation in expanding housing opportunities.

THE EFFECTIVENESS OF THE HOUSING ELEMENT IN THE ATTAINMENT OF THE COMMUNITY'S HOUSING GOALS AND OBJECTIVES

The City's adopted Housing Element identifies Long Beach's current and projected housing needs as well as specific strategies, funding sources and programs designed to meet those needs. The Long Beach Housing Plan contains seven key issues gathered from this need assessment: 1) Housing and Neighborhood Conservation, 2) Housing Production, 3) Homeownership Opportunities, 4) Special Needs Population, 5) Removal of Government Constraints, 6) Preservation of Affordable Housing, and 7) Promoting Equal Housing Opportunities.

HOUSING AND NEIGHBORHOOD CONSERVATION

HOME REHABILITATION PROGRAMS

- The City's Multifamily Rental Rehabilitation Program provides low-interest loans to rental property owners who agree to restrict rents at rates affordable to persons and families earning at or below 80% of the Area Median Income (AMI). During FY2004-05, the City's Housing Services Bureau committed \$1,046,000 for the rehabilitation of 126 rental units under this program.
- The Single Family Rehabilitation Program provides low-interest loans to homeowners with incomes not exceeding 80% of the AMI to make improvements to their homes. Payments on the loan may be deferred until the property is sold. For the FY 2004-05 reporting period, this program committed \$1,320,698 for the rehabilitation of 55 single family residences.

NEIGHBORHOOD RESOURCE CENTER

- On August 15, 2005, the Neighborhood Resource Center (NRC) celebrated its ten-year anniversary of providing community-based, volunteer organizations with tools, training, and assistance based on a community needs assessment.
- In August 2005, the Neighborhood Leadership Program administered by the NRC graduated 22 candidates who completed the five-month leadership development program that provided them with tools and resources to become effective community organizers.

CODE ENFORCEMENT

- Since March 1, 2005 the Code Enforcement staff has issued 450 Administrative Citation Warning Notices. The notices resulted in the issuance of \$100 tickets to 28 individuals who did not comply with the warning notices. Additionally, on September 8, 2005 the first 1,000 citations were issued for illegal garage conversion.

NEIGHBORHOOD REVITALIZATION PROGRAM

- On June 1, 2004, the Long Beach City Council adopted the Housing Action Plan to serve as the framework for the allocation of scarce housing resources. The City has completed the field survey of the selected neighborhoods (Washington School, Central, and King School Focus Areas) to document existing housing conditions and infrastructure needs. The next step is to evaluate City resources available to match these needs with the appropriate programs and projects.

HOUSING PRODUCTION

AFFORDABLE HOUSING DEVELOPMENT ASSISTANCE

- The Pacific City Lights development is currently under construction, with an estimated completion date and lease-up start in the Spring of 2006. This 42-unit project will provide 41 family rental units, 31 of which will be affordable to Very Low-Income families and 10 affordable to Low-Income Families.
- Non-profit developer Livable Places, in partnership with The Long Beach Housing Development Company, has celebrated the groundbreaking for a new \$20.8 million development offering 58 for-sale homes for very low-income to above moderate-income families. The development is located just one block from the Metro Blue Line.
- Jamboree Housing has begun construction on Puerto Del Sol, with 64 new rental units in townhouse and flat-type units for occupancy by qualified very low-income households. Jamboree Housing is one of four developments selected for the implementation of the West Gateway Master Plan, with a build out of 693 housing units.

ADAPTIVE REUSE

- The Insurance and Exchange Building and the Masonic Temple are currently undergoing adaptive reuse, upon completion will provide 93 condominium units.
- The reuse of the Ocean Center Building, Broadway Lofts and Newberry Department Store into housing is in the entitlement process.

SITE INVENTORY ANALYSIS

- Through a grant from the California Department of Housing and Community Department, the City of Long Beach has identified 1,000 acres of vacant land and approximately 900 parcels. The survey has assisted the Planning Bureau to identify parcels that should be considered for rezoning from non-residential to residential.

- The Redevelopment Agency has produced a booklet of targeted development sites for housing that the Agency would consider assisting to developers in site assemblage.

GENERAL PLAN LAND USE ELEMENT UPDATE

- On October 24, 2004, the Long Beach City Council approved a General Plan Update Maintenance Fee. This has enabled the Department of Planning and Building to begin updating the Land Use and Transportation Elements of the General Plan.

HOMEOWNERSHIP OPPORTUNITIES

The LONG BEACH HOUSING DEVELOPMENT COMPANY PROGRAMS

- The Second Mortgage Assistance program is for first-time homebuyers whose income is not sufficient to qualify for a first mortgage loan necessary to purchase a home. The Long Beach Housing Development Company provided assistance to four (4) first-time home buyers with second mortgage assistance totaling \$320,961.

OTHER HOMEBUYER ASSISTANCE PROGRAMS

- The City offers monthly "First-Time Homebuyer Seminars" in English, Spanish and Khmer to families interested in purchasing homes. A total of 15 Homebuyer Workshops were held during FY 2004-05, with 307 families participating.
- On a quarterly basis during this same period were three (3) "Post-Homebuyer Seminars" with 36 families participating, covering such topics as Foreclosure Prevention and Refinancing.

SPECIAL NEEDS POPULATION

HOMELESS PROGRAM

- On February 15, 2005, the Long Beach City Council voted to initiate a citywide process for the development of a 10-year Strategy to End Homelessness. The strategy is designed to address the critical problem of homelessness and all related issues through a coordinated community-based process of identifying needs and building a strategic plan to address those needs.

REMOVAL OF GOVERNMENT CONSTRAINTS

DEVELOPMENT INCENTIVES

- Downtown Planned Development (PD-30), the specific plan for the downtown, was amended to allow increased density in the Downtown Mixed Use Subarea of PD-30.

- Downtown Shoreline Planned Development (PD-6), the specific plan for the downtown shoreline, was amended to increase the cap on housing development in Subarea 4 of PD-6. The amendment could potentially result in the construction of 500 high quality multifamily dwellings.

PRESERVATION OF AFFORDABLE HOUSING

SECTION 8 RENTAL ASSISTANCE

- Long Beach continues to provide rent subsidies to very low-income households and encourages other property owners to register units for Section 8 participation.

PROMOTING EQUAL HOUSING OPPORTUNITIES

FAIR HOUSING PROGRAM

- Long Beach continues to participate in fair housing programs and to contract with the Fair Housing Foundation (FHF), a private, nonprofit agency to promote enforcement of fair housing laws.

PROGRESS TOWARD MITIGATING GOVERNMENT CONSTRAINTS IDENTIFIED IN THE HOUSING ELEMENT

Local policies and regulations can impact the price and availability of housing and, in particular, the provision of affordable housing. Land use controls, residential development standards, fees and exactions, and permit processing procedures, among others, may increase the cost of housing maintenance, development and improvement. The City continues to make progress in mitigating unnecessary governmental constraints to housing development in the region. Long Beach continues to offer ways to reduce governmental constraints that increase the cost of housing development, which include fee waivers, financial incentives and density bonuses for qualified affordable housing developments.